



How to Build Your Best Capture Management Strategy



Table of Contents

Introduction _____	3
Chapter 1: Tracking _____	5
Chapter 2: Qualification _____	7
Chapter 3: Pursuit _____	8
Chapter 4: Capture _____	10
Chapter 5: Proposal Development _____	12
Chapter 6: Proposal Submission _____	14
Conclusion: Win or Lose _____	15

Introduction



Government contracts offer a stability and value that is hard to come by in the business world. Few companies are willing to negotiate a five-year term (the average length of a government contract), and even fewer can guarantee operations with the same authority. With all of the different types of government contracts available and the complexity of the bidding process, capture management is an essential part of putting in a winning bid. But, if you wait to start until the RFP is announced, it is already too late. Follow these steps for an ideal capture management process.

Types of Contracts

Government contracts fall into several categories. Each category determines the scope of the contract and the duration. Some of the most common are:

IDIQS (INDEFINITE DELIVERY/INDEFINITE QUANTITY)

An IDIQ means a government agency is contracting to create an already approved and vetted list of service providers for a set time period, that will bid and support all their mission needs, but the amount and frequency of product or service orders is flexible.

TASK ORDERS

Task Order contracts have a set term and very specific deliverables within the IDIQ specified range of work. The agency can release as many Task Orders as they need to accomplish their requirements over the time period of the IDIQ.

SINGLE AWARD

These types of contracts allow the agency to select a single service provider to perform the requirements during the contract term.

BPA (BLANKET PURCHASE AGREEMENT)

BPAs eliminate such contracting and open market costs as the search for sources, the need to prepare solicitations, and the requirement to synopses the acquisition.

BAA (BROAD AGENCY ANNOUNCEMENT)

A technique for agencies to solicit proposals from outside groups for certain research and development. The agency will then select proposals to fund as contracts or grants. BAAs are broad in their subject matter and focus on advancing science rather than acquiring specific products.

The Capture Process

Almost all government contracts have one thing in common—they eventually produce an RFP and allow companies to join in the bidding process. Every company should define a repeatable process for working with the Government to let them know what you do and how you can support their requirements. This process may have many different stages, and Capture Executives must manage each stage to show their companies where it makes sense to continue to spend money chasing and capturing each deal. We have broken down the Capture process into seven defined stages:

1. TRACKING

During this 6-month phase, your Account Manager identifies opportunities for your company to bid and fills the Pipeline.

2. QUALIFICATION

To ensure a good match between your company and the possible contract, your Account Manager spends time matching the contract requirements to your company's capabilities.

3. PURSUIT

Once in the pursuit phase, your company assigns a Capture Executive to take over the account and begin validating the government interest, concerns and incumbent favorability.

4. CAPTURE

This is the most extended stage in winning a government contract and may take two years to accumulate all the necessary information to prepare for an eventual RFP to be released. During this stage, your Capture Executive "shapes" the government process for the RFP, builds a team to win the deal, and gathers intelligence about the government team managing the contract, the competition and the contracting requirements expected and needed.

5. PROPOSAL

Once an RFP gets released, in most cases there are 30 days before the submission deadline. Your company assigns a Proposal Manager who will orchestrate and manage the process of framing the RFP requirements, manages the calendar for writing and delivery, sets up reviews of the content, manages the compliance review process and finalizes the response for submission.

6. SUBMIT

After everything is ready, the Capture Executive either hand delivers the RFP or submits the sections and attachments electronically.

7. WIN/LOSE

After collecting submissions, the government reviews all proposals and announces who has won the bid. The review process can take six months or more, depending on the complexity of the contracts and required completion timeline. The Capture Executive and Management should always request a Debrief to understand "Why" you won or lost each deal and keep track of those metrics for managing the B&P process better for each new opportunity.

Chapter 1: Tracking



Tracking: Is This Contract Worth Pursuing?

Before devoting hundreds of man hours to crafting an RFP response, the first question you need to ask is: Is this a contract worth pursuing? Tracking is all about answering that essential question. Timing is another issue that can affect the viability of a potential contract. The right time to start tracking is as soon as you either win or lose a deal, or when you hear about a win for a contract you are interested in following. In either case, you'll be faced with a recompetes down the road and need to prep for the next RFP. The tracking process is fairly simple as you get into the details of the Agency and learn what challenges they are trying to solve and let them know how you can solve them.

Install an On-the-Ground Account Manager

There is no substitute for face time when learning about a new government contract or researching a prospect for future growth. Walking the halls and building relationships with the people responsible for making a decision about the final contract is an essential piece of success. That necessity means that you must have a person devoted to being the face of your company for those crucial first contacts. Your Account Manager can also keep in touch with end-users once a contract is up and running, improving the experience for your customers.

Expanded Environmental Knowledge

Whether managing an existing contract or looking for new opportunities, an Account Manager is the person most immersed in the environment of the agency. If a government agency restructures, combines with another agency, or is eliminated, you will likely

find out first from your Account Manager. You may also get the jump on contracts for new technologies or identify areas where the current contract holder is failing to meet expectations. If the incumbent can't deliver on the promises from their RFP, you may want to prioritize that proposal and put it on your pipeline.

What Does Successful Tracking Look Like?

The goal of the tracking stage of capture management is fairly simple: to find new opportunities that your company can bid on so later in the process you can qualify the deal. The earlier you start the capture management process, the more likely you will be to evaluate and discard the deals you believe you can't win and therefore save significant Pre-B&P monies (marketing money), chasing a deal that you can't win. Finding out about an opportunity early also means more time to research & gather G2 and put together a winning team so when you work the proposal, you are far ahead of the competition in terms of customer intimacy, needs and concerns.

Chapter 2: Qualification



Qualification: Should We Pursue This Lead?

Not every contract works for every company. Even though you provide services in the same industry, you may not have the right logistical setup to serve the contract requirements. You may have an early lead that won't pan out past the planning stages. Before moving forward with the qualification stage of capture management, make sure that the government has committed to the opportunity. The last thing you want to do is invest three months of man hours into qualification only to have the contract fizzle.

Moving Forward With Internal Approvals

Once you know that the government is going to move forward with the requirements, you still need to get the company on board with pursuing the opportunity. During the Gate Review for any prospect, you need to work with internal executives to answer five basic questions:

1. Can we do the work?
2. Can we build a winning team?
3. Does the government want a different incumbent?
4. Do we have a differentiator?
5. How are we different, better, smarter?

These are the questions you ask about your business and the basics of the proposed contract. If the answer to the first three questions is yes, you can invest more time developing a long-form answer to the last question. This is where you better understand the customer's "real" challenges. While the active part of qualification for a specific opportunity is typically only three months, qualification can start two to three years prior to an opportunity RFP being released.

Who Is Involved in Qualification?

When going through the Gate Review, the Sales Executive will need to have your Capture Executive and Account Manager on hand to provide details about the opportunity and the customer. The discussion will revolve around the five questions above and making a determination where it makes sense to continue to spend Pre-B&P monies following this deal.

Chapter 3: Pursuit



Pursuit: Going After Qualified Leads

Once you've finished evaluating whether or not to go after your list of leads in the qualification stage, you'll have a solid list of opportunities worth pursuing further. Usually you begin this phase about two years before the announcement of the official request for proposal (RFP) from the government. Although some highly noteworthy prospective clients could require more time to pursue, you can generally expect the pursuit stage to go on for around three months.

Definition and Stakeholders

During the pursuit stage, your company will assign a Capture Executive to take over the relevant account in order to continue to validate the level of government interest, the current technology environment, current contract details (mapping these to the questions: Is this the best contract for our company to win?), Incumbent details, Teammate details, companies that bid but lost, KO's thoughts for the renewal contract type and any changes foreseen in the future contract for the opportunity. The Capture Executive also assesses all of the government's concerns and incumbent favorability as well as making certain the Government knows who your company is and what they can bring to the solution plus generate white papers to help the Government understand different solutions that can solve their issues.

The stakeholders involved in the pursuit phase are

- Sales Management
- Capture Executive
- Government Executives
- Government-Program Managers
- Government-Contract Officers

The Steps in the Pursuit Stage

The first step in pursuit is always listening to your customers to make certain you fully understand their needs and requirements to solve their issues. You also must make sure that your customers are fully aware about what you offer and how it helps to solve their problems. This critical first step requires high-quality communication on the part of your Capture Executive and SMEs to execute well so the customer understands and feels excited about other solutions that may solve their needs. Questions that need to be answered include:

1. Does the customer have funding?
2. Does the customer have a problem we can solve?
3. Does the customer know that we can solve their problem?
4. How is the current incumbent doing? What could be better?

If the project is fully funded, it is worth looking a little deeper. If the customer has a problem your company can solve, you should continue digging. Those conversations can start to provide confidence in your customer and show that you can solve the problems posed. For Pursuit to be successful, you should have a fully-funded opportunity that fits your company's abilities to deliver and find a way to differentiate your company from the incumbent contract holder.

Next, another gate review helps determine if your team believes that they have a reasonable chance of winning the contract and can do the necessary type of work for this project. They also begin to determine if they're capable of assembling a team that would resonate well with this aspect of the government.

Another value of this gate review is to clean up the pipeline of opportunities that they don't feel there is a high enough PWin. Your company can save a fortune by recognizing when an opportunity should no longer be chased before spending precious funds on the wrong candidates.

Landing a government contract is always an opportunity worth pursuing, especially for small and growing businesses that need a more steady revenue stream. That's why the effort you put into pursuing your leads more than pays off in the long run: It generates long-term revenue while expanding your horizons in terms of your business relationships. The next chapter will discuss the capture phase.

Chapter 4: Capture



Capture: Shaping the Deal

Within one to two years prior to the official request-for-proposal release, (RFP), the capture phase begins and can last up to two years. Teaming and shaping become the most important elements during this process and increases the Pwin as the customer becomes more acquainted and confident with your companies capabilities and past performances.

Defining the Capture Process

In the capture stage, your Capture Executive manages all meetings with the different Government officials, meets with all the possible companies to build a strong team to win the deal. Your Capture Executive also collects “G2” intelligence by using multiple, independent sources to gather all the raw data about the government’s expectations on team managing as well as your competition. This is done by asking the same questions to multiple sources both in the Government and to other Contractors to validate the information you have collected.

The Stakeholders Involved in the Capture Phase Are

1. Executive Management
2. Sales Management
3. Capture Executive
4. Government Executives
5. Government Program Managers
6. Government Contract Officers

Here's What the Capture Phase Looks Like in Action

Since the Capture Executive is best-equipped to respond well to the RFP requisites, they take the lead after they've completed thorough research, which is always ongoing.

1. The Capture Executive builds a budget to request funding to spend in shaping the deal.
2. The Capture Executive and SMEs begin meeting regularly with every government staff member involved in the RFP, such as the Command/Agency Executives, Project Managers, contracting team and funding organizations.
3. The Capture Executive begins to build a team that resonates and brings value to the Government.
4. Industry meetings plus other educational meetings to discuss topics like timing, expectations, and "RFIs," which are requests for information from various suppliers about their capabilities.
5. The Capture Executive orchestrates the entire team as they build the most comprehensive solution based on all the information that they gather.

Capture management is a lengthy process that works to "shape" and help the Government know who you are, what you do and why they should be interested in awarding a contract. All the investments of time and energy that capture management requires are absolutely worth it because this strategy significantly increases the PWin more than any other process done. The bottom line in capture management is that you must stay proactive throughout the whole process; don't wait for opportunities to find you, or you'll miss out.

Once you've successfully finished your capture phase, it's now time to move forward into the proposal phase when the government formally releases the RFP, which we'll discuss in the next chapter.

Chapter 5: **Proposal Development**



Proposal Development: Responding to the RFP

The proposal stage begins when the government releases the live RFP and ends once you are ready to submit your response. Typically, this takes 30 days.

If you do a good job during the capture stage, your team can get a head start on the RFP response by writing to the draft released or if you know the requirements haven't changed, writing to the previous RFP. Your goal is to get the draft to Pink Team review and wait for the live RFP release. You can use your early draft to spring ahead of your competition and finish your proposal well before the due date. Thereby, your Proposal Manager gets more time to orchestrate the process of framing RFP requirements, manage the writing and delivery calendar and does everything possible to create the winning response. The Proposal Manager also sets up color team reviews and finalizes the response before it goes to the Capture Executive for submission. The entire proposal stage lasts approximately 30 days.

The Response Team

Your company brings in many people to work on the proposal. The Proposal Manager works with the Capture Executive and oversees everyone's efforts and coordinates team members, so the response gets finished before the submission due date. Capture Executives deliver essential information during the proposal stage, which allows the team to start before the RFP goes live. Subject matter experts provide in-depth insights into their specialty areas and begin the writing efforts. The Pricing Managers manage the Price-to-Win process and work with the Capture Executive and Business Executives to work the pricing options, lowering the price to set the right bid price for a competitive response while the Contracts Managers gather the details for creating the subcontracts with the team mates and prepare for negotiating with government agencies.

The Importance of Pricing

Pricing plays a key role in government RFP responses. You need to balance your internal costs, your risks, your profit margin and the government agency's budget to figure out the right price to include in your winning response. Research current market trends, the winning awards during the agency's previous procurement cycle, typical competitor pricing ranges and the influence of discounts on the bids. Government proposal pricing may be tricky, but extensive research will give you a solid foundation in finding the reasonable winning price.

The proposal gives you the opportunity to prove that your company offers the best solution for the government agency's RFP. You relay your benefits, explain how you solve their problem, offer a competitive price and align your response with their needs. Once the Proposal Manager finishes the reviewing process, the response heads off to the Capture Executive for the submission stage.

Chapter 6: **Proposal Submission**



Proposal Submission: The Devil Is in the Details

The submit stage occurs when the RFP states the proposal is due, you have completed all the requirements and you sent in the response. Your company spent the last 30 days or longer getting your proposal ready. After the Proposal Manager coordinates the response creation, manages the compliance process and finalizes it, the Capture Executive takes over. Typically, the submission stage lasts for one day. This stage ends after you submit the proposal and the RFP's due date passes.

Before Submission

The Capture Executive and Proposal Manager review the response to confirm it meets all government requirements. In the rush to meet deadlines, some details from the RFP may get overlooked. You may have an incomplete proposal that would automatically be disqualified, so it's important to fix these errors prior to its submission. Typos, weak positioning and unrealistic pricing represent other common roadblocks to a winning contract. It is the job of the Proposal Manager to manage the Compliance process and fix any problems during the response drafting process. However, human error can introduce proposal issues that make it through to the submission stage.

Give yourself enough time to complete the proposal and perform a thorough review (White Glove), before the submission deadline. You reduce your chances of failure through simple mistakes when you aren't rushing to meet a submission deadline. Your proposal may offer the best price and most enticing value, but overlooking one small detail will result in a lost award.

The Proposal Submission Process

The Capture Executive typically has two options for the proposal submission process, based on the RFP requirements defined by the Government: Print and hand deliver the response to the government or submit it electronically. Review the format requirements for the chosen submission method. The government agency may require specific templates for print-outs or electronic file submissions. You don't want to reach this stage and get your proposal thrown out because of an incorrect document format. If you encounter unclear submission guidelines, reach out to the government agency or connect with other Capture Executives who previously worked with them. Once you submit the proposal, you get to settle in and wait to hear whether you won or lost the contract.

Conclusion: **Win or Lose**



Endgame: Win or Lose

Win or lose, the government reviews the submitted proposals and selects their desired company to be awarded. This stage typically lasts six months.

You may wait six months after your proposal submission to find out whether you win or lose the contract. Government Contract Officers, Government Program Managers and Government Executives award a contract to the proposal that best aligns with their RFP requirements and pricing range. The resources spent on submitting a government bid are substantial, so you want to maximize the value you get out of the process. Whether you win or lose, make certain you always request a debrief from the Government to understand BOTH why you won or why you lost. This debrief provides essential information for future business growth.

Key Takeaways from a Win

Congratulations, your efforts paid off. Take the time to examine your proposal and compare it with other recorded wins. What common features do you find in this winning proposal and your previous wins? Your business gains additional successful data points, which allows you to continue improving your government bidding process in the future. You may discover short- and long-term trends, giving you a competitive advantage during the proposal process.

Key Takeaways from a Loss

Losses hurt, but they're not a complete waste when you conduct a thorough review.

Sometimes your greatest insights come from the information generated by mistakes. Reach out to the Contracting Officer for a debrief. You typically receive an extensive analysis of your proposal, as well as information about the winning bid.

Identify weak areas in your proposal and watch out for similar problems in future bids. The debriefing helps you avoid making the same mistake again, as long as you spend the time going through the review process. You see what the winning bid did correctly and how your proposal failed to align with the government agency's needs.

Sometimes you don't come close to the price offered by the winner or you misjudged your competition. Investigate ways your company could have offered the same price, such as reducing your costs while maintaining your service quality. For your next capture efforts, stay up to date on your competition's key differentiators, pricing strategies and benefits. You go into the next proposal armed with the intel you need for a better performance.

Your business gains critical information from winning and losing proposals. When you win, you do your best to replicate your successful efforts. Your losses teach you valuable lessons and position you to continually improve over time. Make sure the debriefing and analysis get covered in your capture management process.

(410) 925-0424
info@bitsolutionsllc.com
www.bitsolutionsllc.com